



SACHI A. HAMAI
Interim Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

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"To Enrich Lives Through Effective And Caring Service"

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March 31, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**PUBLIC LIBRARY:
QUARTZ HILL LIBRARY PROJECT
APPROVAL OF FIRST AMENDMENT TO OPTION TO LEASE AND DESIGN AGREEMENT
(FIFTH DISTRICT)
(3 VOTES)**

SUBJECT

Approval of the recommended actions will approve a First Amendment to the Option to Lease and Design Agreement dated August 19, 2014 with Griffin|Swinerton for the Quartz Hill Library Project.

IT IS RECOMMENDED THAT THE BOARD:

Approve and authorize the Mayor to execute a First Amendment to the Option to Lease and Design Agreement dated August 19, 2014 with Griffin|Swinerton for the Quartz Hill Library Project, and delegate authority to the Chief Executive Office to extend the option term by an additional month, to June 1, 2015, if necessary and agreed to by both parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On August 19, 2014, the Board established the Quartz Hill Library Project, found Griffin|Swinerton as the most qualified and best value proposer, and approved the Option to Lease and Design Agreement for the design services and an option to lease the proposed Quartz Hill Library (Project). The approved Option to Lease and Design Agreement (Option Agreement) allowed Griffin|Swinerton to proceed with the design of the new library, while securing for the County of Los Angeles (County) an option to lease the property upon completion of the building design, which option is exercisable

by the Board any-time before April 1, 2015. Pursuant to the terms of the Option Agreement, on February 19, 2015, the County provided its notice of intent to Griffin|Swinerton to exercise its option to lease the Property.

Upon further discussions, County staff and Griffin|Swinerton have jointly agreed that it is necessary to extend the term of Option Agreement in order to allow for the exercise of the option to lease to occur no later than May 1, 2015. Approval of the Amendment to the Option Agreement (Amendment) will provide Griffin|Swinerton with additional time needed to complete the financing of the proposed Project and complete negotiations of the lease. The economic terms of the lease will be based upon and consistent with the financing and construction costs.

Once the Board approves the Amendment, the term of the County's option to lease the property will be extended to May 1, 2015, with delegated authority to the Chief Executive Office to extend the option term by an additional month, to June 1, 2015, if necessary and agreed to by both parties. It is anticipated that we will return to the Board for approval to exercise the option to lease and adopt the Mitigated Negative Declaration. The proposed extension will not impact the original Project schedule.

Implementation of Strategic Plan Goals

The proposed Project supports the County's Strategic Plan Goals of Operational Effectiveness/Fiscal Sustainability (Goal 1), by investing in public infrastructure that will enhance cultural, recreational, and lifelong learning opportunities for County residents.

FISCAL IMPACT/FINANCING

There is no fiscal impact as a result of the recommended action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed First Amendment to the Option to Lease and Design Agreement, if approved by the Board, will allow additional time to Griffin|Swinerton to finalize the financing of the proposed Project and complete negotiations of the lease.

ENVIRONMENTAL DOCUMENTATION

The recommended action is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a Project by Section 15378(b) (5) of the State CEQA Guidelines. The recommended action, the extension of an option term by up to two months, is an organizational or administrative activity of government, which will not result in direct or indirect physical changes in the environment. Appropriate environmental documentation will be prepared by the County and provided for the Board's consideration when we return to the Board to recommend approval of the proposed Project and exercise of the option to lease.

CONTRACTING PROCESS

The attached First Amendment to Option to Lease and Design Agreement has been approved by County Counsel as to form.

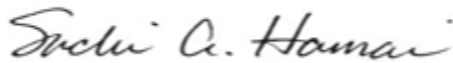
IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on current County services or projects as a result of the First Amendment to the Option to Lease and Design Agreement.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Programs Division; and Public Library.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sachi A. Hamai".

SACHI A. HAMAI

Interim Chief Executive Officer

SAH:TT:BMB

MS:PB:AC:rp

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Public Library

**AMENDMENT NO. 1 TO OPTION TO LEASE AND DESIGN AGREEMENT NO. 78255
PUBLIC LIBRARY
QUARTZ HILL LIBRARY PROJECT**

This Amendment No. 1 to Option to Lease and Design Agreement No. 78255 ("Amendment" or "Amendment No. 1") is made and entered into this _____ day of _____, 2015, by and between Griffin|Swinerton, a joint venture ("Owner"), and the COUNTY OF LOS ANGELES, a body politic and corporate, on the other hand ("County").

WHEREAS, Griffin|Swinerton and County entered into that certain Option to Lease and Design Agreement No. 78255 dated August 19, 2014 ("Agreement") whereby Griffin|Swinerton granted the County the option to lease a library facility in Quartz Hill on Avenue M-2 after Griffin|Swinerton designs and constructs the facility.

WHEREAS, The Option Term commenced on August 19, 2014 and is currently set to expire on April 1, 2015; and

WHEREAS, Owner and County desire to amend the Agreement for the purpose of extending the Option Term; and

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and County hereby covenant and agree to amend the Agreement as follows:

1. Paragraph 1.2. OPTION TERM, is hereby deleted and the following substituted therefor:

Option Term. This Option shall be exercisable by the County during a term commencing on the date of the execution of the Agreement, and terminating on May 1, 2015 (the "Option Term"). The Option Term may be extended by mutual written agreement of the parties, and County's Chief Executive Office ("CEO") shall have authority to negotiate and execute on behalf of the County any such agreement, provided that such CEO authority shall only apply to extensions of the Option Term up to and including June 1, 2015, and thereafter, Board of Supervisors' approval shall be required.

2. Paragraph 3.5. LEASE EXECUTION DATE, is hereby deleted and the following substituted therefor:

Lease Execution Date. For purposes of this Agreement, the "Lease Execution Date" shall be defined as the date of the County's Board of Supervisors' execution of the Lease. The parties agree to cause the Lease Execution Date to occur no later than May 1, 2015. Notwithstanding the foregoing, the parties may mutually agree in writing to extend the Lease Execution Date beyond that date, if such an extension appears to either party to be necessary. The County's CEO shall have the authority to negotiate and execute any such agreement on behalf of the County, provided that such CEO authority shall only apply to extensions of the Lease Execution Date up to and including June 1, 2015, and thereafter, Board of Supervisors' approval shall be required,

3. Notwithstanding anything to the contrary, all other terms and conditions contained in the Agreement shall remain in full force and effect.

4. Each of the undersigned signatories for the Owner personally covenant, warrant and

guarantee that each of them, jointly and severally, have the power and authority to execute this Amendment upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the County from all damages, costs, and expenses which result from a breach of this mutual representation.

5. In the event of a conflict between the terms of this Amendment and the terms of the Agreement, the terms of this Amendment shall control.

6. All undefined terms when used herein shall have the same respective meanings as are given under the Agreement, unless expressly provided otherwise in this Amendment.

IN WITNESS WHEREOF, the Owner has executed this Amendment or caused it to be duly executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Amendment to be executed on its behalf by the Mayor of said Board and attested to by the Clerk thereof the day, month, and year first above written.

OWNER:

Griffin|Swinerton, a joint venture

By: Griffin Structures, Inc., a California Corporation

By: 
Roger Torriero, CEO/President

By: Swinerton Builders, a California Corporation

By: 
Gary Rafferty, COO/President

COUNTY OF LOS ANGELES
a body politic and corporate

By: _____
Michael D. Antonovich
Mayor, Board of Supervisors

ATTEST:

Patrick Ogawa
Acting Executive Officer-
Clerk of the Board of
Supervisors

By: _____

APPROVED AS TO FORM:

MARK J. SALADINO
County Counsel

By: _____
Deputy